

Filing status: ☐ Single ☒ Married filing jointly ☐ Married filing separately ☐ Head of household ☐ Qualifying widow(er)

Your first name and initial: **Bernard** Last name: **Sanders** Your social security number: [REDACTED]

Your standard deduction: ☐ Someone can claim you as a dependent ☒ You were born before January 2, 1954 ☐ You are blind

If joint return, spouse's first name and initial: **Jane O** Last name: **Sanders** Spouse's social security number: [REDACTED]

Spouse standard deduction: ☐ Someone can claim your spouse as a dependent ☒ Spouse was born before January 2, 1954 ☒ Full-year health care coverage or exempt (see inst.)

☐ Spouse is blind ☐ Spouse itemizes on a separate return or you were dual-status alien

Home address (number and street). If you have a P.O. box, see instructions. [REDACTED] Apt. no. [REDACTED] Presidential Election Campaign (see inst.) ☒ You ☒ Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6. [REDACTED] If more than four dependents, see inst. and ✓ here ☐

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see inst.):	
(1) First name	Last name			Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

## Sign Here

Joint return? See instructions. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature

Date

Your occupation

Government Service

If the IRS sent you an Identity Protection PIN, enter it here (see inst.) [REDACTED]

Spouse's signature. If a joint return, both must sign.

Date

Spouse's occupation

Writer

If the IRS sent you an Identity Protection PIN, enter it here (see inst.) [REDACTED]

## Paid Preparer Use Only

Preparer's name

Preparer's signature

PTIN

Firm's EIN

Check if:

☐ 3rd Party Designee

☐ Self-employed

Firm's name ▶ Self-Prepared

Phone no.

Firm's address ▶

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Form **1040** (2018)

Form 1040 (2018)

Page **2**

1	Wages, salaries, tips, etc. Attach Form(s) W-2	133,873.
2a	Tax-exempt interest	2a 381.
3a	Qualified dividends	3a 1.
4a	IRAs, pensions, and annuities	4a 5,241.
5a	Social security benefits	5a 44,005.
6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	6 566,421.
7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6	7 561,293.
8	Standard deduction or itemized deductions (from Schedule A)	8 41,764.
9	Qualified business income deduction (see instructions)	9 0.
10	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-	10 519,529.
11	a Tax (see inst.) 133,214. (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4972 3 <input type="checkbox"/> ) b Add any amount from Schedule 2 and check here	11 133,214.
12	a Child tax credit/credit for other dependents b Add any amount from Schedule 3 and check here	12 133,214.
13	Subtract line 12 from line 11. If zero or less, enter -0-	13 12,626.
14	Other taxes. Attach Schedule 4	14 145,840.
15	Total tax. Add lines 13 and 14	15 22,573.
16	Federal income tax withheld from Forms W-2 and 1099	16 115,000.
17	Refundable credits: a EIC (see inst.) b Sch. 8812 c Form 8863 Add any amount from Schedule 5	17 137,573.
18	Add lines 16 and 17. These are your total payments	18
19	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid	19
20a	Amount of line 19 you want refunded to you. If Form 8888 is attached, check here	20a
21	Amount of line 19 you want applied to your 2019 estimated tax	21
22	Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions	22 8,267.
23	Estimated tax penalty (see instructions)	23 0.

**SCHEDULE 1**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Additional Income and Adjustments to Income**

► Attach to Form 1040.  
► Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

**2018**  
Attachment  
Sequence No. **01**

Name(s) shown on Form 1040

Bernard & Jane O Sanders

Your social security number

<b>Additional Income</b>	<b>1-9b</b>	Reserved . . . . .	<b>1-9b</b>	
	<b>10</b>	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	<b>10</b>	
	<b>11</b>	Alimony received . . . . .	<b>11</b>	
	<b>12</b>	Business income or (loss). Attach Schedule C or C-EZ . . . . .	<b>12</b>	382,920.
	<b>13</b>	Capital gain or (loss). Attach Schedule D if required. If not required, check here ► <input type="checkbox"/>	<b>13</b>	
	<b>14</b>	Other gains or (losses). Attach Form 4797 . . . . .	<b>14</b>	
	<b>15a</b>	Reserved . . . . .	<b>15b</b>	
	<b>16a</b>	Reserved . . . . .	<b>16b</b>	
	<b>17</b>	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	<b>17</b>	
	<b>18</b>	Farm income or (loss). Attach Schedule F . . . . .	<b>18</b>	
	<b>19</b>	Unemployment compensation . . . . .	<b>19</b>	
	<b>20a</b>	Reserved . . . . .	<b>20b</b>	
<b>21</b>	Other income. List type and amount ►	<b>21</b>		
	<b>22</b>	Combine the amounts in the far right column. If you don't have any adjustments to income, enter here and include on Form 1040, line 6. Otherwise, go to line 23 . .	<b>22</b>	382,920.
<b>Adjustments to Income</b>	<b>23</b>	Educator expenses . . . . .	<b>23</b>	
	<b>24</b>	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 . .	<b>24</b>	
	<b>25</b>	Health savings account deduction. Attach Form 8889 . .	<b>25</b>	
	<b>26</b>	Moving expenses for members of the Armed Forces. Attach Form 3903 . . . . .	<b>26</b>	
	<b>27</b>	Deductible part of self-employment tax. Attach Schedule SE	<b>27</b>	5,128.
	<b>28</b>	Self-employed SEP, SIMPLE, and qualified plans . .	<b>28</b>	
	<b>29</b>	Self-employed health insurance deduction . . . . .	<b>29</b>	
	<b>30</b>	Penalty on early withdrawal of savings . . . . .	<b>30</b>	
	<b>31a</b>	Alimony paid b Recipient's SSN ►	<b>31a</b>	
	<b>32</b>	IRA deduction . . . . .	<b>32</b>	
	<b>33</b>	Student loan interest deduction . . . . .	<b>33</b>	
	<b>34</b>	Reserved . . . . .	<b>34</b>	
<b>35</b>	Reserved . . . . .	<b>35</b>		
	<b>36</b>	Add lines 23 through 35 . . . . .	<b>36</b>	5,128.

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040) 2018

REV 12/21/18 TTO

**SCHEDULE 4**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Other Taxes**

▶ **Attach to Form 1040.**

▶ **Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.**

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **04**

Name(s) shown on Form 1040

Bernard & Jane O Sanders

Your social security number

**Other  
Taxes**

<b>57</b>	Self-employment tax. Attach Schedule SE . . . . .	<b>57</b>	10,255.
<b>58</b>	Unreported social security and Medicare tax from: Form <b>a</b> <input type="checkbox"/> 4137 <b>b</b> <input type="checkbox"/> 8919	<b>58</b>	
<b>59</b>	Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required . . . . .	<b>59</b>	
<b>60a</b>	Household employment taxes. Attach Schedule H . . . . .	<b>60a</b>	
<b>b</b>	Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required . . . . .	<b>60b</b>	
<b>61</b>	Health care: individual responsibility (see instructions) . . . . .	<b>61</b>	0.
<b>62</b>	Taxes from: <b>a</b> <input checked="" type="checkbox"/> Form 8959 <b>b</b> <input checked="" type="checkbox"/> Form 8960 <b>c</b> <input type="checkbox"/> Instructions; enter code(s) _____	<b>62</b>	2,371.
<b>63</b>	Section 965 net tax liability installment from Form 965-A . . . . . <b>63</b> _____		
<b>64</b>	Add the amounts in the far right column. These are your <b>total other taxes</b> . Enter here and on Form 1040, line 14 . . . . .	<b>64</b>	12,626.

**For Paperwork Reduction Act Notice, see your tax return instructions.**

REV 12/21/18 TTO

**Schedule 4 (Form 1040) 2018**

**SCHEDULE 5**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Other Payments and Refundable Credits**

► **Attach to Form 1040.**  
► **Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.**

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **05**

Name(s) shown on Form 1040

Bernard & Jane O Sanders

Your social security number

<b>Other</b>	<b>65</b>	Reserved . . . . .	<b>65</b>	
<b>Payments</b>	<b>66</b>	2018 estimated tax payments and amount applied from 2017 return . . . . .	<b>66</b>	115,000.
<b>and</b>	<b>67a</b>	Reserved . . . . .	<b>67a</b>	
<b>Refundable</b>	<b>b</b>	Reserved . . . . .	<b>67b</b>	
<b>Credits</b>	<b>68-69</b>	Reserved . . . . .	<b>68-69</b>	
	<b>70</b>	Net premium tax credit. Attach Form 8962 . . . . .	<b>70</b>	
	<b>71</b>	Amount paid with request for extension to file (see instructions) . . . . .	<b>71</b>	
	<b>72</b>	Excess social security and tier 1 RRTA tax withheld . . . . .	<b>72</b>	
	<b>73</b>	Credit for federal tax on fuels. Attach Form 4136 . . . . .	<b>73</b>	
	<b>74</b>	Credits from Form: <b>a</b> <input type="checkbox"/> 2439 <b>b</b> <input checked="" type="checkbox"/> Reserved <b>c</b> <input type="checkbox"/> 8885 <b>d</b> <input type="checkbox"/> . . . . .	<b>74</b>	
	<b>75</b>	Add the amounts in the far right column. These are your total <b>other payments and refundable credits</b> . Enter here and include on Form 1040, line 17. . . . .	<b>75</b>	115,000.

**For Paperwork Reduction Act Notice, see your tax return instructions.**

REV 02/14/19 TTO

**Schedule 5 (Form 1040) 2018**

**Underpayment of Estimated Tax by  
Individuals, Estates, and Trusts**► Go to [www.irs.gov/Form2210](http://www.irs.gov/Form2210) for instructions and the latest information.

► Attach to Form 1040, 1040NR, 1040NR-EZ, or 1041.

OMB No. 1545-0074

**2018**Attachment  
Sequence No. **06**

Name(s) shown on tax return

Bernard &amp; Jane O Sanders

Identifying number

**Do You Have To File Form 2210?**

Complete lines 1 through 7 below. Is line 7 less than \$1,000?	Yes	Don't file Form 2210. You don't owe a penalty.
No		
Complete lines 8 and 9 below. Is line 6 equal to or more than line 9?	Yes	You don't owe a penalty. <b>Don't file Form 2210</b> (but if box <b>E</b> in Part II applies, you must file page 1 of Form 2210).
No		
You may owe a penalty. Does any box in Part II below apply?	Yes	You <b>must</b> file Form 2210. Does box <b>B</b> , <b>C</b> , or <b>D</b> in Part II apply?
No		
	No	You <b>aren't</b> required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>file only page 1 of Form 2210</b> .
	Yes	You must figure your penalty.

**Part I Required Annual Payment**

1	Enter your 2018 tax after credits from Form 1040, line 13 (see instructions if not filing Form 1040)	1	133,214.
2	Other taxes, including self-employment tax and, if applicable, Additional Medicare Tax and/or Net Investment Income Tax (see instructions)	2	12,626.
3	Refundable credits, including the premium tax credit (see instructions)	3	( )
4	Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, <b>stop</b> ; you don't owe a penalty. <b>Don't file Form 2210</b>	4	145,840.
5	Multiply line 4 by 90% (0.90)	5	131,256.
6	Withholding taxes. <b>Don't</b> include estimated tax payments (see instructions)	6	22,573.
7	Subtract line 6 from line 4. If less than \$1,000, <b>stop</b> ; you don't owe a penalty. <b>Don't file Form 2210</b>	7	123,267.
8	Maximum required annual payment based on prior year's tax (see instructions)	8	378,270.
9	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 5 or line 8	9	131,256.

**Next:** Is line 9 more than line 6?☐ **No.** You **don't** owe a penalty. **Don't file Form 2210** unless box **E** below applies.☒ **Yes.** You may owe a penalty, but **don't file Form 2210** unless one or more boxes in Part II below applies.• If box **B**, **C**, or **D** applies, you must figure your penalty and file Form 2210.• If box **A** or **E** applies (but not **B**, **C**, or **D**) file only page 1 of Form 2210. You **aren't** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210**.**Part II Reasons for Filing.** Check applicable boxes. If none apply, **don't file Form 2210**.

- A** ☒ You request a **waiver** (see instructions) of your entire penalty due to tax reform or other reasons. You must check this box and file page 1 of Form 2210, but you aren't required to figure your penalty. **80% Waiver**
- B** ☐ You request a **waiver** (see instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** ☒ Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** ☐ Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** ☐ You filed or are filing a joint return for either 2017 or 2018, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you **aren't** required to figure your penalty (unless box **B**, **C**, or **D** applies).

**Part III Short Method****Can You Use the Short Method?**

You can use the short method if:

- You made no estimated tax payments (or your only payments were withheld federal income tax), **or**
- You paid the same amount of estimated tax on each of the four payment due dates.

**Must You Use the Regular Method?**

You must use the regular method (Part IV) instead of the short method if:

- You made any estimated tax payments late,
- You checked box **C** or **D** in Part II, **or**
- You are filing Form 1040NR or 1040NR-EZ and you didn't receive wages as an employee subject to U.S. income tax withholding.

**Note:** If any payment was made earlier than the due date, you can use the short method, but using it may cause you to pay a larger penalty than the regular method. If the payment was only a few days early, the difference is likely to be small.

<b>10</b> Enter the amount from Form 2210, line 9 . . . . .		<b>10</b>
<b>11</b> Enter the amount, if any, from Form 2210, line 6 . . . . .	<b>11</b>	
<b>12</b> Enter the total amount, if any, of estimated tax payments you made .	<b>12</b>	
<b>13</b> Add lines 11 and 12 . . . . .		<b>13</b>
<b>14 Total underpayment for year.</b> Subtract line 13 from line 10. If zero or less, <b>stop</b> ; you don't owe a penalty. <b>Don't file Form 2210 unless you checked box E in Part II</b> . . . . .		<b>14</b>
<b>15</b> Multiply line 14 by 0.03603 . . . . .		<b>15</b>
<b>16</b> • If the amount on line 14 was paid <b>on or after</b> 4/15/19, enter -0-.		
• If the amount on line 14 was paid <b>before</b> 4/15/19, make the following computation to find the amount to enter on line 16.		
Amount on line 14 × Number of days paid before 4/15/19 × 0.00016 . . . . .		<b>16</b>
<b>17 Penalty.</b> Subtract line 16 from line 15. Enter the result here and on Form 1040, line 23; Form 1040NR, line 76; Form 1040NR-EZ, line 26; or Form 1041, line 27. <b>Don't file Form 2210 unless you checked a box in Part II</b> . . . . . ►		<b>17</b>

**Part IV Regular Method** (See the instructions if you are filing Form 1040NR or 1040NR-EZ.)

<b>Section A—Figure Your Underpayment</b>		<b>Payment Due Dates</b>			
		<b>(a)</b> 4/15/18	<b>(b)</b> 6/15/18	<b>(c)</b> 9/15/18	<b>(d)</b> 1/15/19
<b>18</b>	<b>Required installments.</b> If box C in Part II applies, enter the amounts from Schedule AI, line 27. Otherwise, enter 25% (0.25) of line 9, Form 2210, in each column . . . . .	<b>18</b> 2,227.	5,160.	5,035.	118,834.
<b>19</b>	<b>Estimated tax paid and tax withheld</b> (see the instructions). For column (a) only, also enter the amount from line 19 on line 23. If line 19 is equal to or more than line 18 for all payment periods, stop here; you don't owe a penalty. <b>Don't file Form 2210 unless you checked a box in Part II</b> . . . . .	<b>19</b> 5,643.	5,643.	5,643.	120,644.
<b>20</b>	<b>Complete lines 20 through 26 of one column before going to line 20 of the next column.</b> Enter the amount, if any, from line 26 in the previous column . . . . .	<b>20</b>	3,416.	3,899.	4,507.
<b>21</b>	Add lines 19 and 20 . . . . .	<b>21</b>	9,059.	9,542.	125,151.
<b>22</b>	Add the amounts on lines 24 and 25 in the previous column . . . . .	<b>22</b>	0.	0.	0.
<b>23</b>	Subtract line 22 from line 21. If zero or less, enter -0-. For column (a) only, enter the amount from line 19 . . . . .	<b>23</b> 5,643.	9,059.	9,542.	125,151.
<b>24</b>	If line 23 is zero, subtract line 21 from line 22. Otherwise, enter -0- . . . . .	<b>24</b>	0.	0.	
<b>25</b>	<b>Underpayment.</b> If line 18 is equal to or more than line 23, subtract line 23 from line 18. Then go to line 20 of the next column. Otherwise, go to line 26 . . . . .	<b>25</b>			
<b>26</b>	<b>Overpayment.</b> If line 23 is more than line 18, subtract line 18 from line 23. Then go to line 20 of the next column . . . . .	<b>26</b> 3,416.	3,899.	4,507.	

**Section B—Figure the Penalty** (Use the Worksheet for Form 2210, Part IV, Section B—Figure the Penalty in the instructions.)

<b>27</b>	<b>Penalty.</b> Enter the total penalty from line 14 of the Worksheet for Form 2210, Part IV, Section B—Figure the Penalty. Also include this amount on Form 1040, line 23; Form 1040NR, line 76; Form 1040NR-EZ, line 26; or Form 1041, line 27. <b>Don't file Form 2210 unless you checked a box in Part II</b> . . . . .	<b>27</b>	0.
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**Schedule AI—Annualized Income Installment Method** (See the instructions.)

Estates and trusts, **don't** use the period ending dates shown to the right. Instead, use the following: 2/28/18, 4/30/18, 7/31/18, and 11/30/18.

(a)	(b)	(c)	(d)
1/1/18–3/31/18	1/1/18–5/31/18	1/1/18–8/31/18	1/1/18–12/31/18

**Part I Annualized Income Installments**

<b>1</b> Enter your adjusted gross income for each period (see instructions). (Estates and trusts, enter your taxable income without your exemption for each period.) . . .	<b>1</b>	33,910.	66,010.	98,110.	561,293.
<b>2</b> Annualization amounts. (Estates and trusts, see instructions.)	<b>2</b>	4	2.4	1.5	1
<b>3</b> Annualized income. Multiply line 1 by line 2 . . .	<b>3</b>	135,640.	158,424.	147,165.	561,293.
<b>4</b> If you itemize, enter itemized deductions for the period shown in each column. All others enter -0-, and skip to line 7. <b>Exception:</b> Estates and trusts, skip to line 11 and enter amount from line 3	<b>4</b>	13,650.	19,540.	7,930.	41,764.
<b>5</b> Annualization amounts . . . . .	<b>5</b>	4	2.4	1.5	1
<b>6</b> Multiply line 4 by line 5 . . . . .	<b>6</b>	54,600.	46,896.	11,895.	41,764.
<b>7</b> In each column, enter the full amount of your standard deduction from Form 1040, line 8. (Form 1040NR or 1040NR-EZ filers, enter -0-. <b>Exception:</b> Indian students and business apprentices, see instructions.) . . .	<b>7</b>	26,600.	26,600.	26,600.	26,600.
<b>8</b> Enter the <b>larger</b> of line 6 or line 7 . . . . .	<b>8</b>	54,600.	46,896.	26,600.	41,764.
<b>9</b> Deduction for qualified business income . . . . .	<b>9</b>				0.
<b>10</b> Add lines 8 and 9 . . . . .	<b>10</b>	54,600.	46,896.	26,600.	41,764.
<b>11</b> Subtract line 10 from line 3 . . . . .	<b>11</b>	81,040.	111,528.	120,565.	519,529.
<b>12</b> Form 1040, 1040NR, or 1040NR-EZ filers, enter -0- in each column. (Estates and trusts, see instructions.)	<b>12</b>	0.	0.	0.	0.
<b>13</b> Subtract line 12 from line 11. If zero or less, enter -0-	<b>13</b>	81,040.	111,528.	120,565.	519,529.
<b>14</b> Figure your tax on the amount on line 13 (see instructions)	<b>14</b>	9,705.	16,415.	18,403.	133,214.
<b>15</b> Self-employment tax from line 36 (complete Part II below)	<b>15</b>	194.	0.	0.	10,255.
<b>16</b> Enter other taxes for each payment period including, if applicable, Additional Medicare Tax and/or Net Investment Income Tax (see instructions) . . . . .	<b>16</b>	0.	0.	0.	2,371.
<b>17</b> Total tax. Add lines 14, 15, and 16 . . . . .	<b>17</b>	9,899.	16,415.	18,403.	145,840.
<b>18</b> For each period, enter the same type of credits as allowed on Form 2210, Part I, lines 1 and 3 (see instructions) . .	<b>18</b>				
<b>19</b> Subtract line 18 from line 17. If zero or less, enter -0-	<b>19</b>	9,899.	16,415.	18,403.	145,840.
<b>20</b> Applicable percentage . . . . .	<b>20</b>	22.5%	45%	67.5%	90%
<b>21</b> Multiply line 19 by line 20 . . . . .	<b>21</b>	2,227.	7,387.	12,422.	131,256.
<b>Complete lines 22–27 of one column before going to line 22 of the next column.</b>					
<b>22</b> Enter the total of the amounts in all previous columns of line 27	<b>22</b>		2,227.	7,387.	12,422.
<b>23</b> Subtract line 22 from line 21. If zero or less, enter -0-	<b>23</b>	2,227.	5,160.	5,035.	118,834.
<b>24</b> Enter 25% (0.25) of line 9 on page 1 of Form 2210 in each column	<b>24</b>	32,814.	32,814.	32,814.	32,814.
<b>25</b> Subtract line 27 of the previous column from line 26 of that column . . . . .	<b>25</b>		30,587.	58,241.	86,020.
<b>26</b> Add lines 24 and 25 . . . . .	<b>26</b>	32,814.	63,401.	91,055.	118,834.
<b>27</b> Enter the <b>smaller</b> of line 23 or line 26 here and on Form 2210, Part IV, line 18 . . . . . ▶	<b>27</b>	2,227.	5,160.	5,035.	118,834.

**Part II Annualized Self-Employment Tax** (Form 1040 and Form 1040NR filers only)

<b>28</b> Net earnings from self-employment for the period (see instructions) . . . . .	<b>28</b>	1,672.	0.	0.	353,627.
<b>29</b> Prorated social security tax limit . . . . .	<b>29</b>	\$32,100	\$53,500	\$85,600	\$128,400
<b>30</b> Enter actual wages for the period subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax. <b>Exception:</b> If you filed Form 4137 or Form 8919, see instructions	<b>30</b>	32,100.	64,200.	96,300.	128,400.
<b>31</b> Subtract line 30 from line 29. If zero or less, enter -0-	<b>31</b>	0.	0.	0.	0.
<b>32</b> Annualization amounts . . . . .	<b>32</b>	0.496	0.2976	0.186	0.124
<b>33</b> Multiply line 32 by the <b>smaller</b> of line 28 or line 31 . .	<b>33</b>	0.	0.	0.	0.
<b>34</b> Annualization amounts . . . . .	<b>34</b>	0.116	0.0696	0.0435	0.029
<b>35</b> Multiply line 28 by line 34 . . . . .	<b>35</b>	194.	0.	0.	10,255.
<b>36</b> Add lines 33 and 35. Enter here and on line 15 above ▶	<b>36</b>	194.	0.	0.	10,255.



**SCHEDULE A  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Itemized Deductions**

► Go to [www.irs.gov/ScheduleA](http://www.irs.gov/ScheduleA) for instructions and the latest information.  
► Attach to Form 1040.

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Bernard & Jane O Sanders

Your social security number

<b>Medical and Dental Expenses</b>	<b>Caution:</b> Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions)	1	2,250.
	2	Enter amount from Form 1040, line 7 <b>2</b>		561,293.
	3	Multiply line 2 by 7.5% (0.075)	3	42,097.
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0.
<b>Taxes You Paid</b>	5	State and local taxes.		
	a State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>		5a	53,482.
	b State and local real estate taxes (see instructions)		5b	11,604.
	c State and local personal property taxes		5c	
	d Add lines 5a through 5c		5d	65,086.
	e Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)		5e	10,000.
	6 Other taxes. List type and amount ►		6	
	7 Add lines 5e and 6		7	10,000.
<b>Interest You Paid</b> <small>Caution: Your mortgage interest deduction may be limited (see instructions).</small>	8	Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
	a Home mortgage interest and points reported to you on Form 1098		8a	12,814.
	b Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ►		8b	
	c Points not reported to you on Form 1098. See instructions for special rules		8c	
	d Reserved		8d	
	e Add lines 8a through 8c		8e	12,814.
	9 Investment interest. Attach Form 4952 if required. See instructions		9	
	10 Add lines 8e and 9		10	12,814.
<b>Gifts to Charity</b> <small>If you made a gift and got a benefit for it, see instructions.</small>	11	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	11	18,500.
	12	Other than by cash or check. If any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500	12	450.
	13	Carryover from prior year	13	
	14 Add lines 11 through 13		14	18,950.
<b>Casualty and Theft Losses</b>	15	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	15	
<b>Other Itemized Deductions</b>	16	Other—from list in instructions. List type and amount ►	16	
<b>Total Itemized Deductions</b>	17	Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040, line 8	17	41,764.
	18	If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>		

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.  
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **09**

Name of proprietor Bernard Sanders		Social security number (SSN) [REDACTED]
A Principal business or profession, including product or service (see instructions) Book Royalties Verso		B Enter code from instructions 7   1   1   5   1   0
C Business name. If no separate business name, leave blank.		D Employer ID number (EIN) (see instr.) [REDACTED]
E Business address (including suite or room no.) ► [REDACTED] City, town or post office, state, and ZIP code [REDACTED]		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
G Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
H If you started or acquired this business during 2018, check here <input type="checkbox"/>		
I Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
J If "Yes," did you or will you file required Forms 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Part I Income**

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked <input type="checkbox"/>	1	1,810.
2 Returns and allowances	2	
3 Subtract line 2 from line 1	3	1,810.
4 Cost of goods sold (from line 42)	4	
5 <b>Gross profit.</b> Subtract line 4 from line 3	5	1,810.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7 <b>Gross income.</b> Add lines 5 and 6	7	1,810.

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

8 Advertising	8		18 Office expense (see instructions)	18	
9 Car and truck expenses (see instructions)	9		19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21 Repairs and maintenance	21	
14 Employee benefit programs (other than on line 19)	14		22 Supplies (not included in Part III)	22	
15 Insurance (other than health)	15		23 Taxes and licenses	23	
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b		b Deductible meals (see instructions)	24b	
17 Legal and professional services	17		25 Utilities	25	
			26 Wages (less employment credits)	26	
			27a Other expenses (from line 48)	27a	
			b Reserved for future use	27b	
28 <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a	28				
29 Tentative profit or (loss). Subtract line 28 from line 7	29	1,810.			
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30				
31 <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Schedule 1 (Form 1040), line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	31	1,810.			
32 If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Schedule 1 (Form 1040), line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.			32a <input type="checkbox"/> All investment is at risk. 32b <input type="checkbox"/> Some investment is not at risk.		

**Part III Cost of Goods Sold** (see instructions)

<b>33</b>	Method(s) used to value closing inventory: <b>a</b> <input type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b>	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>35</b>	Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . .	<b>35</b>
<b>36</b>	Purchases less cost of items withdrawn for personal use . . . . .	<b>36</b>
<b>37</b>	Cost of labor. Do not include any amounts paid to yourself . . . . .	<b>37</b>
<b>38</b>	Materials and supplies . . . . .	<b>38</b>
<b>39</b>	Other costs . . . . .	<b>39</b>
<b>40</b>	Add lines 35 through 39 . . . . .	<b>40</b>
<b>41</b>	Inventory at end of year . . . . .	<b>41</b>
<b>42</b>	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 . . . . .	<b>42</b>

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

<b>43</b>	When did you place your vehicle in service for business purposes? (month, day, year) ▶ _____
<b>44</b>	Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:
<b>a</b>	Business _____
<b>b</b>	Commuting (see instructions) _____
<b>c</b>	Other _____
<b>45</b>	Was your vehicle available for personal use during off-duty hours? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>46</b>	Do you (or your spouse) have another vehicle available for personal use? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>47a</b>	Do you have evidence to support your deduction? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b>	If "Yes," is the evidence written? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

<b>48</b>	<b>Total other expenses.</b> Enter here and on line 27a . . . . .	<b>48</b>

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.  
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **09**

Name of proprietor <b>Bernard Sanders</b>		Social security number (SSN) <div style="background-color: black; width: 150px; height: 1.2em;"></div>
<b>A</b> Principal business or profession, including product or service (see instructions) <b>Music Royalties</b>	<b>B</b> Enter code from instructions ► <b>7 1 1 5 1 0</b>	
<b>C</b> Business name. If no separate business name, leave blank.	<b>D</b> Employer ID number (EIN) (see instr.) <div style="background-color: black; width: 150px; height: 1.2em;"></div>	
<b>E</b> Business address (including suite or room no.) ► <div style="background-color: black; width: 200px; height: 1.2em;"></div> City, town or post office, state, and ZIP code		
<b>F</b> Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
<b>G</b> Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>H</b> If you started or acquired this business during 2018, check here . . . . . <input type="checkbox"/>		
<b>I</b> Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>J</b> If "Yes," did you or will you file required Forms 1099? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . . <input type="checkbox"/>	<b>1</b>	110.
<b>2</b> Returns and allowances . . . . .	<b>2</b>	
<b>3</b> Subtract line 2 from line 1 . . . . .	<b>3</b>	110.
<b>4</b> Cost of goods sold (from line 42) . . . . .	<b>4</b>	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3 . . . . .	<b>5</b>	110.
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .	<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6 . . . . .	<b>7</b>	110.

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<b>8</b> Advertising . . . . .	<b>8</b>	<b>18</b> Office expense (see instructions)	<b>18</b>	
<b>9</b> Car and truck expenses (see instructions). . . . .	<b>9</b>	<b>19</b> Pension and profit-sharing plans . . . . .	<b>19</b>	
<b>10</b> Commissions and fees . . . . .	<b>10</b>	<b>20</b> Rent or lease (see instructions):	<b>20a</b>	
<b>11</b> Contract labor (see instructions)	<b>11</b>	<b>a</b> Vehicles, machinery, and equipment	<b>20b</b>	
<b>12</b> Depletion . . . . .	<b>12</b>	<b>b</b> Other business property . . . . .	<b>21</b>	
<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions). . . . .	<b>13</b>	<b>21</b> Repairs and maintenance . . . . .	<b>22</b>	
<b>14</b> Employee benefit programs (other than on line 19). . . . .	<b>14</b>	<b>22</b> Supplies (not included in Part III) . . . . .	<b>23</b>	
<b>15</b> Insurance (other than health)	<b>15</b>	<b>23</b> Taxes and licenses . . . . .	<b>24</b>	
<b>16</b> Interest (see instructions):		<b>24</b> Travel and meals:	<b>24a</b>	
<b>a</b> Mortgage (paid to banks, etc.)	<b>16a</b>	<b>a</b> Travel . . . . .	<b>24b</b>	
<b>b</b> Other . . . . .	<b>16b</b>	<b>b</b> Deductible meals (see instructions) . . . . .	<b>25</b>	
<b>17</b> Legal and professional services	<b>17</b>	<b>25</b> Utilities . . . . .	<b>26</b>	
		<b>26</b> Wages (less employment credits) . . . . .	<b>27a</b>	
		<b>27a</b> Other expenses (from line 48) . . . . .	<b>27b</b>	
		<b>b</b> Reserved for future use . . . . .		
<b>28</b> <b>Total expenses</b> before expenses for business use of home. Add lines 8 through 27a . . . . .	<b>28</b>			
<b>29</b> Tentative profit or (loss). Subtract line 28 from line 7 . . . . .	<b>29</b>			110.
<b>30</b> Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). <b>Simplified method filers only:</b> enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____ Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30 . . . . .	<b>30</b>			
<b>31</b> <b>Net profit or (loss).</b> Subtract line 30 from line 29. • If a profit, enter on both <b>Schedule 1 (Form 1040), line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If a loss, you <b>must</b> go to line 32.	<b>31</b>			110.
<b>32</b> If you have a loss, check the box that describes your investment in this activity (see instructions). • If you checked 32a, enter the loss on both <b>Schedule 1 (Form 1040), line 12</b> (or <b>Form 1040NR, line 13</b> ) and on <b>Schedule SE, line 2</b> . (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on <b>Form 1041, line 3</b> . • If you checked 32b, you <b>must</b> attach <b>Form 6198</b> . Your loss may be limited.				

**32a** ☐ All investment is at risk.  
**32b** ☐ Some investment is not at risk.

**Part III Cost of Goods Sold** (see instructions)

<b>33</b>	Method(s) used to value closing inventory: <b>a</b> <input type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b>	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>35</b>	Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . .	<b>35</b>
<b>36</b>	Purchases less cost of items withdrawn for personal use . . . . .	<b>36</b>
<b>37</b>	Cost of labor. Do not include any amounts paid to yourself . . . . .	<b>37</b>
<b>38</b>	Materials and supplies . . . . .	<b>38</b>
<b>39</b>	Other costs . . . . .	<b>39</b>
<b>40</b>	Add lines 35 through 39 . . . . .	<b>40</b>
<b>41</b>	Inventory at end of year . . . . .	<b>41</b>
<b>42</b>	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 . . . . .	<b>42</b>

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

<b>43</b>	When did you place your vehicle in service for business purposes? (month, day, year)    ▶	
<b>44</b>	Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:	
<b>a</b>	Business	<b>b</b> Commuting (see instructions)
<b>a</b>		<b>c</b> Other
<b>45</b>	Was your vehicle available for personal use during off-duty hours? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>46</b>	Do you (or your spouse) have another vehicle available for personal use? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>47a</b>	Do you have evidence to support your deduction? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b>	If "Yes," is the evidence written? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

<b>48</b>	<b>Total other expenses.</b> Enter here and on line 27a . . . . .
<b>48</b>	

**SCHEDULE C**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Business**  
(Sole Proprietorship)

► Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.  
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

**2018**

Attachment  
Sequence No. **09**

Name of proprietor <b>Bernard Sanders</b>		Social security number (SSN) <div style="background-color: black; width: 150px; height: 1.2em;"></div>
<b>A</b> Principal business or profession, including product or service (see instructions) <b>Book Royalties Macmillan</b>	<b>B</b> Enter code from instructions ► <b>7 1 1 5 1 0</b>	
<b>C</b> Business name. If no separate business name, leave blank.	<b>D</b> Employer ID number (EIN) (see instr.) <div style="background-color: black; width: 150px; height: 1.2em;"></div>	
<b>E</b> Business address (including suite or room no.) ► <div style="background-color: black; width: 200px; height: 1.2em;"></div> City, town or post office, state, and ZIP code		
<b>F</b> Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
<b>G</b> Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>H</b> If you started or acquired this business during 2018, check here . . . . . <input type="checkbox"/>		
<b>I</b> Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>J</b> If "Yes," did you or will you file required Forms 1099? . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

**Part I Income**

<b>1</b> Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked . . . . . <input type="checkbox"/>	<b>1</b>	391,000.
<b>2</b> Returns and allowances . . . . .	<b>2</b>	
<b>3</b> Subtract line 2 from line 1 . . . . .	<b>3</b>	391,000.
<b>4</b> Cost of goods sold (from line 42) . . . . .	<b>4</b>	
<b>5</b> <b>Gross profit.</b> Subtract line 4 from line 3 . . . . .	<b>5</b>	391,000.
<b>6</b> Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) . . . . .	<b>6</b>	
<b>7</b> <b>Gross income.</b> Add lines 5 and 6 . . . . .	<b>7</b>	391,000.

**Part II Expenses.** Enter expenses for business use of your home **only** on line 30.

<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><b>8</b> Advertising . . . . .</td><td style="width: 5%; text-align: center;"><b>8</b></td><td></td></tr> <tr><td><b>9</b> Car and truck expenses (see instructions). . . . .</td><td style="text-align: center;"><b>9</b></td><td></td></tr> <tr><td><b>10</b> Commissions and fees . . . . .</td><td style="text-align: center;"><b>10</b></td><td></td></tr> <tr><td><b>11</b> Contract labor (see instructions) . . . . .</td><td style="text-align: center;"><b>11</b></td><td></td></tr> <tr><td><b>12</b> Depletion . . . . .</td><td style="text-align: center;"><b>12</b></td><td></td></tr> <tr><td><b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions). . . . .</td><td style="text-align: center;"><b>13</b></td><td></td></tr> <tr><td><b>14</b> Employee benefit programs (other than on line 19) . . . . .</td><td style="text-align: center;"><b>14</b></td><td></td></tr> <tr><td><b>15</b> Insurance (other than health) . . . . .</td><td style="text-align: center;"><b>15</b></td><td></td></tr> <tr><td><b>16</b> Interest (see instructions):</td><td></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>a</b> Mortgage (paid to banks, etc.) . . . . .</td><td style="text-align: center;"><b>16a</b></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>b</b> Other . . . . .</td><td style="text-align: center;"><b>16b</b></td><td></td></tr> <tr><td><b>17</b> Legal and professional services . . . . .</td><td style="text-align: center;"><b>17</b></td><td></td></tr> </table>	<b>8</b> Advertising . . . . .	<b>8</b>		<b>9</b> Car and truck expenses (see instructions). . . . .	<b>9</b>		<b>10</b> Commissions and fees . . . . .	<b>10</b>		<b>11</b> Contract labor (see instructions) . . . . .	<b>11</b>		<b>12</b> Depletion . . . . .	<b>12</b>		<b>13</b> Depreciation and section 179 expense deduction (not included in Part III) (see instructions). . . . .	<b>13</b>		<b>14</b> Employee benefit programs (other than on line 19) . . . . .	<b>14</b>		<b>15</b> Insurance (other than health) . . . . .	<b>15</b>		<b>16</b> Interest (see instructions):			<b>a</b> Mortgage (paid to banks, etc.) . . . . .	<b>16a</b>		<b>b</b> Other . . . . .	<b>16b</b>		<b>17</b> Legal and professional services . . . . .	<b>17</b>		<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><b>18</b> Office expense (see instructions) . . . . .</td><td style="width: 5%; text-align: center;"><b>18</b></td><td></td></tr> <tr><td><b>19</b> Pension and profit-sharing plans . . . . .</td><td style="text-align: center;"><b>19</b></td><td></td></tr> <tr><td><b>20</b> Rent or lease (see instructions):</td><td></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>a</b> Vehicles, machinery, and equipment . . . . .</td><td style="text-align: center;"><b>20a</b></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>b</b> Other business property . . . . .</td><td style="text-align: center;"><b>20b</b></td><td></td></tr> <tr><td><b>21</b> Repairs and maintenance . . . . .</td><td style="text-align: center;"><b>21</b></td><td></td></tr> <tr><td><b>22</b> Supplies (not included in Part III) . . . . .</td><td style="text-align: center;"><b>22</b></td><td></td></tr> <tr><td><b>23</b> Taxes and licenses . . . . .</td><td style="text-align: center;"><b>23</b></td><td></td></tr> <tr><td><b>24</b> Travel and meals:</td><td></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>a</b> Travel . . . . .</td><td style="text-align: center;"><b>24a</b></td><td></td></tr> <tr><td style="padding-left: 20px;"><b>b</b> Deductible meals (see instructions) . . . . .</td><td style="text-align: center;"><b>24b</b></td><td></td></tr> <tr><td><b>25</b> Utilities . . . . .</td><td style="text-align: center;"><b>25</b></td><td></td></tr> <tr><td><b>26</b> Wages (less employment credits) . . . . .</td><td style="text-align: center;"><b>26</b></td><td></td></tr> <tr><td><b>27a</b> Other expenses (from line 48) . . . . .</td><td style="text-align: center;"><b>27a</b></td><td style="text-align: right;">10,000.</td></tr> <tr><td><b>b</b> Reserved for future use . . . . .</td><td style="text-align: center;"><b>27b</b></td><td></td></tr> <tr><td><b>28</b> <b>Total expenses</b> before expenses for business use of home. 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**32a** ☐ All investment is at risk.  
**32b** ☐ Some investment is not at risk.

**Part III Cost of Goods Sold** (see instructions)

<b>33</b>	Method(s) used to value closing inventory: <b>a</b> <input type="checkbox"/> Cost <b>b</b> <input type="checkbox"/> Lower of cost or market <b>c</b> <input type="checkbox"/> Other (attach explanation)	
<b>34</b>	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>35</b>	Inventory at beginning of year. If different from last year's closing inventory, attach explanation . . . . .	<b>35</b>
<b>36</b>	Purchases less cost of items withdrawn for personal use . . . . .	<b>36</b>
<b>37</b>	Cost of labor. Do not include any amounts paid to yourself . . . . .	<b>37</b>
<b>38</b>	Materials and supplies . . . . .	<b>38</b>
<b>39</b>	Other costs . . . . .	<b>39</b>
<b>40</b>	Add lines 35 through 39 . . . . .	<b>40</b>
<b>41</b>	Inventory at end of year . . . . .	<b>41</b>
<b>42</b>	<b>Cost of goods sold.</b> Subtract line 41 from line 40. Enter the result here and on line 4 . . . . .	<b>42</b>

**Part IV Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

<b>43</b>	When did you place your vehicle in service for business purposes? (month, day, year)    ▶	
<b>44</b>	Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:	
<b>a</b>	Business	<b>b</b> Commuting (see instructions)
<b>a</b>	Other	<b>c</b> Other
<b>45</b>	Was your vehicle available for personal use during off-duty hours? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>46</b>	Do you (or your spouse) have another vehicle available for personal use? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>47a</b>	Do you have evidence to support your deduction? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b>	If "Yes," is the evidence written? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part V Other Expenses.** List below business expenses not included on lines 8–26 or line 30.

Editing Fees	10,000.
<b>48 Total other expenses.</b> Enter here and on line 27a . . . . .	<b>48</b> 10,000.

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)

Bernard Sanders

Social security number of person with self-employment income ▶

**Section B—Long Schedule SE****Part I Self-Employment Tax**

**Note:** If your only income subject to self-employment tax is **church employee income**, see instructions. Also see instructions for the definition of church employee income.

<b>A</b>	If you are a minister, member of a religious order, or Christian Science practitioner <b>and</b> you filed Form 4361, but you had \$400 or more of <b>other</b> net earnings from self-employment, check here and continue with Part I . . . . .	▶ <input type="checkbox"/>
<b>1a</b>	Net farm profit or (loss) from Schedule F, line 34, and farm partnerships, Schedule K-1 (Form 1065), box 14, code A. <b>Note:</b> Skip lines 1a and 1b if you use the farm optional method (see instructions)	<b>1a</b>
<b>b</b>	If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code AH	<b>1b</b> ( )
<b>2</b>	Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. <b>Note:</b> Skip this line if you use the nonfarm optional method (see instructions) . . . . .	<b>2</b> 382,920.
<b>3</b>	Combine lines 1a, 1b, and 2 . . . . .	<b>3</b> 382,920.
<b>4a</b>	If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3 <b>Note:</b> If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.	<b>4a</b> 353,627.
<b>b</b>	If you elect one or both of the optional methods, enter the total of lines 15 and 17 here . . . . .	<b>4b</b>
<b>c</b>	Combine lines 4a and 4b. If less than \$400, <b>stop</b> ; you don't owe self-employment tax. <b>Exception:</b> If less than \$400 and you had <b>church employee income</b> , enter -0- and continue ▶	<b>4c</b> 353,627.
<b>5a</b>	Enter your <b>church employee income</b> from Form W-2. See instructions for definition of church employee income . . . . .	<b>5a</b>
<b>b</b>	Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0- . . . . .	<b>5b</b> 0.
<b>6</b>	Add lines 4c and 5b . . . . .	<b>6</b> 353,627.
<b>7</b>	Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2018 . . . . .	<b>7</b> 128,400 00
<b>8a</b>	Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$128,400 or more, skip lines 8b through 10, and go to line 11	<b>8a</b> 128,400.
<b>b</b>	Unreported tips subject to social security tax (from Form 4137, line 10)	<b>8b</b>
<b>c</b>	Wages subject to social security tax (from Form 8919, line 10)	<b>8c</b>
<b>d</b>	Add lines 8a, 8b, and 8c . . . . .	<b>8d</b>
<b>9</b>	Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 . . . . .	<b>9</b>
<b>10</b>	Multiply the <b>smaller</b> of line 6 or line 9 by 12.4% (0.124) . . . . .	<b>10</b>
<b>11</b>	Multiply line 6 by 2.9% (0.029) . . . . .	<b>11</b> 10,255.
<b>12</b>	<b>Self-employment tax.</b> Add lines 10 and 11. Enter here and on <b>Schedule 4 (Form 1040), line 57, or Form 1040NR, line 55</b> . . . . .	<b>12</b> 10,255.
<b>13</b>	<b>Deduction for one-half of self-employment tax.</b> Multiply line 12 by 50% (0.50). Enter the result here and on <b>Schedule 1 (Form 1040), line 27, or Form 1040NR, line 27</b> . . . . .	<b>13</b> 5,128.

**Part II Optional Methods To Figure Net Earnings** (see instructions)

**Farm Optional Method.** You may use this method **only** if (a) your gross farm income<sup>1</sup> wasn't more than \$7,920, or (b) your net farm profits<sup>2</sup> were less than \$5,717.

<b>14</b>	Maximum income for optional methods . . . . .	<b>14</b> 5,280 00
<b>15</b>	Enter the <b>smaller</b> of: two-thirds (2/3) of gross farm income <sup>1</sup> (not less than zero) or \$5,280. Also include this amount on line 4b above . . . . .	<b>15</b>

**Nonfarm Optional Method.** You may use this method **only** if (a) your net nonfarm profits<sup>3</sup> were less than \$5,717 and also less than 72.189% of your gross nonfarm income,<sup>4</sup> and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution:** You may use this method no more than five times.

<b>16</b>	Subtract line 15 from line 14 . . . . .	<b>16</b>
<b>17</b>	Enter the <b>smaller</b> of: two-thirds (2/3) of gross nonfarm income <sup>4</sup> (not less than zero) or the amount on line 16. Also include this amount on line 4b above . . . . .	<b>17</b>

<sup>1</sup> From Sch. F, line 9, and Sch. K-1 (Form 1065), box 14, code B.

<sup>2</sup> From Sch. F, line 34, and Sch. K-1 (Form 1065), box 14, code A—minus the amount you would have entered on line 1b had you not used the optional method.

<sup>3</sup> From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

<sup>4</sup> From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.



## Additional Medicare Tax

▶ If any line does not apply to you, leave it blank. See separate instructions.  
▶ Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.  
▶ Go to [www.irs.gov/Form8959](http://www.irs.gov/Form8959) for instructions and the latest information.

OMB No. 1545-0074

**2018**  
Attachment  
Sequence No. **71**

Name(s) shown on return

Bernard & Jane O Sanders

Your social security number

### Part I Additional Medicare Tax on Medicare Wages

<b>1</b> Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5 . . . . .	<b>1</b>	158,373.		
<b>2</b> Unreported tips from Form 4137, line 6 . . . . .	<b>2</b>			
<b>3</b> Wages from Form 8919, line 6 . . . . .	<b>3</b>			
<b>4</b> Add lines 1 through 3 . . . . .	<b>4</b>	158,373.		
<b>5</b> Enter the following amount for your filing status: Married filing jointly . . . . . \$250,000 Married filing separately . . . . . \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000				
	<b>5</b>	250,000.		
<b>6</b> Subtract line 5 from line 4. If zero or less, enter -0- . . . . .	<b>6</b>			0.
<b>7</b> Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II . . . . .	<b>7</b>			0.

### Part II Additional Medicare Tax on Self-Employment Income

<b>8</b> Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.)	<b>8</b>	353,627.		
<b>9</b> Enter the following amount for your filing status: Married filing jointly . . . . . \$250,000 Married filing separately . . . . . \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000				
	<b>9</b>	250,000.		
<b>10</b> Enter the amount from line 4 . . . . .	<b>10</b>	158,373.		
<b>11</b> Subtract line 10 from line 9. If zero or less, enter -0- . . . . .	<b>11</b>	91,627.		
<b>12</b> Subtract line 11 from line 8. If zero or less, enter -0- . . . . .	<b>12</b>			262,000.
<b>13</b> Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III . . . . .	<b>13</b>			2,358.

### Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

<b>14</b> Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions) . . . . .	<b>14</b>			
<b>15</b> Enter the following amount for your filing status: Married filing jointly . . . . . \$250,000 Married filing separately . . . . . \$125,000 Single, Head of household, or Qualifying widow(er) \$200,000				
	<b>15</b>			
<b>16</b> Subtract line 15 from line 14. If zero or less, enter -0- . . . . .	<b>16</b>			
<b>17</b> Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV . . . . .	<b>17</b>			

### Part IV Total Additional Medicare Tax

<b>18</b> Add lines 7, 13, and 17. Also include this amount on Schedule 4 (Form 1040), line 62 (check box a) (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions), and go to Part V . . . . .	<b>18</b>			2,358.
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### Part V Withholding Reconciliation

<b>19</b> Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6 . . . . .	<b>19</b>	2,296.		
<b>20</b> Enter the amount from line 1 . . . . .	<b>20</b>	158,373.		
<b>21</b> Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages . . . . .	<b>21</b>	2,296.		
<b>22</b> Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages . . . . .	<b>22</b>			0.
<b>23</b> Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions) . . . . .	<b>23</b>			
<b>24</b> <b>Total Additional Medicare Tax withholding.</b> Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 16 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions) . . . . .	<b>24</b>			0.

**Net Investment Income Tax—  
Individuals, Estates, and Trusts**

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form8960](http://www.irs.gov/Form8960) for instructions and the latest information.

OMB No. 1545-2227

**2018**Attachment  
Sequence No. **72**

Name(s) shown on your tax return

Your social security number or EIN

Bernard &amp; Jane O Sanders

**Part I Investment Income**☐ Section 6013(g) election (see instructions)☐ Section 6013(h) election (see instructions)☐ Regulations section 1.1411-10(g) election (see instructions)

1	Taxable interest (see instructions)		1	381.
2	Ordinary dividends (see instructions)		2	1.
3	Annuities (see instructions)		3	
4a	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a		
b	Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b		
c	Combine lines 4a and 4b		4c	
5a	Net gain or loss from disposition of property (see instructions)	5a		
b	Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b		
c	Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c		
d	Combine lines 5a through 5c		5d	
6	Adjustments to investment income for certain CFCs and PFICs (see instructions)		6	
7	Other modifications to investment income (see instructions)		7	
8	Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7		8	382.

**Part II Investment Expenses Allocable to Investment Income and Modifications**

9a	Investment interest expenses (see instructions)	9a		
b	State, local, and foreign income tax (see instructions)	9b	37.	
c	Miscellaneous investment expenses (see instructions)	9c		
d	Add lines 9a, 9b, and 9c		9d	37.
10	Additional modifications (see instructions)		10	
11	Total deductions and modifications. Add lines 9d and 10		11	37.

**Part III Tax Computation**

12	Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals, complete lines 13–17. Estates and trusts, complete lines 18a–21. If zero or less, enter -0-	12	345.
<b>Individuals:</b>			
13	Modified adjusted gross income (see instructions)	13	561,293.
14	Threshold based on filing status (see instructions)	14	250,000.
15	Subtract line 14 from line 13. If zero or less, enter -0-	15	311,293.
16	Enter the smaller of line 12 or line 15	16	345.
17	Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	17	13.
<b>Estates and Trusts:</b>			
18a	Net investment income (line 12 above)	18a	
b	Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c	Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a	Adjusted gross income (see instructions)	19a	
b	Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c	Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20	Enter the smaller of line 18c or line 19c	20	
21	Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	21	